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- (1) Nuclear declaration by North Korea: U.S. gives priority to progress on denuclearization progress; Blasting of cooling tower to be televised

ASAHI (Page 9) (Abridged)

June 24, 2008

North Korea is expected to present a declaration of its nuclear programs on June 26. The North has invited media organizations from the six-party member countries to cover the blowing-up of a cooling tower at a main nuclear site. The declaration that does not contain information on nuclear weapons is expected to be imperfect. Washington intends to give top priority to advancing the denuclearization process.

The invitation to foreign television broadcasters to cover the blasting of the cooling tower was revealed by Kim Sook, South Korea's special representative for Korean Peninsula peace and security affairs. According to MBC of South Korea, the cooling tower will be demolished on June 27. It will be covered live by CNN of the United States. North Korea and the United States intend to globally televise the blasting with the aim of playing up progress on the denuclearization process.

Pyongyang is expected to submit 50 to 60 pages of lists and data on nuclear facilities to China, the chair of the six-party talks. Because the North has developed nuclear weapons by using plutonium at the Yongbyon nuclear complex, the attention is focused on plutonium-related programs.

The United States was particularly fixated on the amount of plutonium possessed by the North. Washington estimates the amount at approximately 45 kilograms in contrast to Pyongyang's explanation of about 38 kilograms. The North has submitted voluminous reactor records to the United States. Washington thinks it can verify

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Pyongyang's declaration based on them.

The North's suspected highly enriched uranium (HEU) program and its nuclear cooperation with Syria have significantly delayed Pyongyang's nuclear declaration. Washington and Pyongyang agreed in April to handle them separately from the nuclear declaration. Secretary of State Condoleezza Rice has explained to American newspapers: "North Korea said, 'Aware of the United States' concern (over HEU and other matters), we acknowledge the fact that related information was presented by the United States. We promise that we will answer questions at the negotiating table.'"

North Korean Vice-Foreign Minister Kim Kye Gwan notified the relevant countries that Pyongyang would not reveal the amount of plutonium necessary to produce a nuclear weapon, which is estimated by experts at 4 to 8 kilograms.

The relevant countries are expected to find it difficult to know through Pyongyang's nuclear declaration the number of nuclear weapons and the level of nuclear development technology possessed by the North.

As such, some have begun to indicate that the declaration would be insufficient and that the North has no intention of abandoning its nuclear programs.

Meanwhile, Secretary Rice in a speech on June 18 implied that the relevant countries would have to accept Pyongyang's declaration even if it was imperfect, saying, "There is no policy that can bring about everything we want." She also expressed a determination to uphold the current line of dialogue, telling the American newspapers, "In order to test whether (the North) will abandon its nuclear programs, we have no other option but to carry on this policy course."

(2) Panel report advocates constitutional reinterpretation for collective self-defense

TOKYO SHIMBUN (Page 2) (Full)
June 25, 2008

The Council for Rebuilding the Legal Infrastructure of Japan's National Security, a government advisory panel set up by former Prime Minister Shinzo Abe when he was in office to review the

government's constitutional interpretation of collective self-defense, presented a report yesterday to Prime Minister Yasuo Fukuda. Now that Abe has stepped down, the mood for constitutional reinterpretation has already faded. The panel nonetheless came up with its report in an aim to pave the way for the Diet to debate legislation for a permanent law allowing Japan to send the Self-Defense Forces on overseas missions as needed.

The report clearly says Article 9 of the Constitution should be reinterpreted so that Japan would not be prohibited from using the right of collective self-defense. It is only natural that the panel reaches this conclusion all the more because its discussion, since its first meeting in May 2007, has been premised on the idea of reviewing the government's conventional interpretation that does not allow Japan to exercise its right to collective self-defense.

However, Abe stepped down in September that year just when the panel was about to submit its report. The report was left in limbo. The

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panel aborted the report that advocated reinterpreting the Constitution. If the report has been released at that time, it could have sparked more controversy in the Diet, which was divided with the ruling coalition holding a majority of the seats in its lower chamber and the opposition parties controlling the upper chamber. In the end, the panel, Yanai said, "Could not move ahead because we didn't know if we would continue to exist." Now that the Diet's ordinary session has ended, the panel report finally has seen the light of day.

The panel studied four specific cases for Japan's participation in collective self-defense. In its report, the panel concludes that all the four cases are constitutional. As a reason for this conclusion, however, the report cites the changing international situation, underlining the necessity of having a "new interpretation."

Two of the four studied cases are related to international cooperation for peace. In concrete terms, the report proposes allowing SDF members on overseas missions to "engage in security activities and use weapons in order to defend foreign troops coming under attack" and "back up multinational forces." The report asserts that Japan, should it be prohibited from acting in these two areas, could be under fire in the international community. The report says Japan's engagement in the other two cases pertaining to collective self-defense, such as "intercepting ballistic missiles targeted at the United States," are "indispensable to maintain and strengthen the Japan-U.S. alliance." However, the report lacks a legal-based rationale.

Prime Minister Fukuda has been against changing the government's conventional way of reading and interpreting the Constitution. "I've never said I will change it," he said yesterday evening. "The Constitution is the Constitution," he added. His remark indicated that he was giving the report the cold shoulder.

The report, now with no backing, lays emphasis on weapons use and logistical support in the area of international cooperation for peace. It concludes: "We hope that Japan's role in these two areas will be allowed in the process of enacting a permanent law." As seen from this phrasing, the panel wants its report linked to permanent legislation for the SDF's overseas activities.

However, the ruling coalition's project team on the permanent SDF legislation has released an interim report that is premised on the government's current constitutional interpretation. The report has little chance to set the future course of debate.

The report, a legacy from Abe as Fukuda's predecessor, will end its historical role, only reminding us of the fact that an advisory panel for the prime minister specified the necessity of reinterpreting the Constitution.

(3) Union calls for steps to deter U.S. military crimes

The Japanese Trade Union Confederation (JTUC or Rengo) Local of Okinawa's President Nobumasa Nakamura and other Rengo Okinawa executives called on Okinawa Prefecture's Lieutenant Governor Zenki Nakazato yesterday at the prefectural government office and asked the prefectural government to pursue the U.S. military's executive

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responsibility for a string of incidents and accidents brought about by U.S. military personnel.

"They say they will take steps to prevent a recurrence," Nakamura said. "But," Nakamura noted, "we can't see anything specific about what they're going to do." He added: "We want the prefectural government to request the Japanese and U.S. governments take specific countermeasures. For example, U.S. servicemen who have committed a heinous crime should not be brought in to Okinawa."

Nakazato said: "We file a strong protest and request with both the Japanese government and the U.S. government every time there is an incident. But we get nowhere. When Governor Inamine was in office, we made an 11-point request. We will discuss this request while checking it out, and we will tenaciously work on both the Japanese government and the U.S. government."

Nakazato also said the Okinawa prefectural government would request the Japanese and U.S. governments exclude those with a criminal record from U.S. military personnel to be stationed in Japan.

In addition, Nakamura asked the prefectural government to strongly request the Japanese and U.S. governments to dismiss the regional coordinator of U.S. forces in Okinawa and make a drastic revision of the Japan-U.S. Status of Forces Agreement. Rengo held a national rally this April in the city of Yokohama for SOFA revisions. In this regard, Nakamura said Rengo will hold it every year.

(4) METI maps out emissions trading proposal for post-Kyoto Protocol framework: Companies to set voluntary emissions quotas

NIKKEI (Page 3) (Full)
June 26, 2008

The central and local governments are accelerating their efforts to cut greenhouse gas emissions. The Ministry of Economy, Trade and Industry (METI) has drafted an emissions trading system, under which each company sets its own target of cutting emissions on a voluntary basis. The Tokyo metropolitan government yesterday adopted an ordinance mandating business establishments and factories to cut carbon emissions. Some business circles are perplexed at government agencies and local governments independently tackling global warming measures.

Energy efficiency to be used as benchmark: Government, industry circles to check total emissions

METI is looking into introducing an emissions trading system in conjunction with a post-Kyoto Protocol framework starting in 2013. According to the draft, as revealed yesterday, each industrial area will set an energy efficiency improvement target, and individual companies will set their own reduction targets, based on that. Under the system, companies that need to increase emissions can buy credits from those who emit less, so that the set targets can be achieved. Sector-specific reduction targets will also be set, and the government and the private sector will check progress. Penalties will be imposed on sectors that fail to achieve the targets imposed on them.

METI will incorporate the package of proposals in an interim report to be issued on June 26 by the Research Council on Economic Method to Deal with Global Warming. It believes that since the package is

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aimed at strengthening the present voluntary action program, it could obtain understanding from business circles, which are cautious

about an emissions trading system attached with a strict reduction obligation.

The major feature of the METI proposal is that it uses energy efficiency as a benchmark in cutting carbon emissions. With consideration given to industrial circles' concern that even if they save more energy, their carbon emissions would increase, if their production volume increases, energy efficiency instead of a uniform emissions reduction target will be used as a benchmark.

The mechanism is that each industry sets a benchmark, such as the amount of energy needed to produce 1 ton of crude steel on a voluntary basis. Then each company set a target of improving energy efficiency, based on that benchmark. Emissions of greenhouse gases reduced will be worked out, based on that target.

If companies are unable to attain their targets by such means as energy savings, they can purchase surplus emission quotas from other companies and count that portion as an amount they reduced by themselves. Emissions quotas will be procured either through negotiation transactions or on the market. Details will be worked out later.

Apart from individual companies' reduction targets, based on energy efficiency, sector-specific reduction targets will also be set. In this connection, a mechanism of the government and the private sector checking progress on sector-specific greenhouse gas emissions cuts will also be created with consideration given to changes in production volume. The government and industrial organizations will check progress on a regular basis.

The focus of talks on post-Kyoto Protocol framework is on the setting of a nation-specific reduction target. Sector-specific reduction targets will be important in achieving this goal.

METI plans to make those plans into law. It will look into penalties to be imposed on companies that failed to achieve their targets. It will also look into the possibility of administrative guidance, including issuing either an advisory notice or revealing the names of such companies.

(5) Interview with Kaoru Yosano: Wait until Ozawa strategy's influence fades out

TOKYO SHIMBUN (Page 2) (Full)
June 26, 2008

-- You have come out as a potential contender in the race for the Liberal Democratic Party presidency if Prime Minister Fukuda steps down.

I think that it is an honor. But I am not particular who assumes the premiership if that person is capable of putting society back in order.

-- What reputation has Prime Minister Fukuda earned?

It is good that public support for his cabinet has bottomed out. Mr. Fukuda is not good at demonstrating his performance. I think he should handle matters in a straightforward manner. There will be no

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other way but for him to steadily move ahead while making the most of his characteristics.

-- Do you think it is necessary to shuffle the cabinet in order to have the prime minister's distinctive personality come to the fore?

Some might think that display in a show window must be changed with the change of seasons. But such thinking is out of the question. (In shuffling the cabinet,) there must be a resolution to make the best selection of the lineup in order to attain this or that goal.

-- If you are asked to enter the cabinet, would you accept the offer?

When it is still unknown whether the cabinet is to be shuffled or not, I cannot easily reply. But no matter what position I am in, I am determined to address the task that I have to address as best as I can.

-- How do you summarize the current lopsided Diet?

In general, Democratic Party of Japan (DPJ) President Ichiro Ozawa is preoccupied only with winning the next general election. He does not want to conduct substantive discussion. He does not want to be drawn into reality. He wants to live in a world full of beautiful platonic love. He ascribes to this kind of thinking.

-- Do you think that (Mr. Ozawa's stance) will remain unchanged in the next extraordinary session?

Mr. Ozawa seems determined to remain in the world of platonic love. He apparently expects that the scene of his party's overwhelming victory in the House of Councillors election last year will reappear. Since the policymaking process will not move forward, the situation is not in the public's best interest. Mr. Ozawa has said: "A Lower House election will be carried out early next year, at the latest," kindling a sense of alarm among the public. Further delay in having a Lower House election may cause Ozawa's strategy to crumble.

-- What view do you have on the prime minister's strategy to prolong his administration?

Patience is necessary in order to handle matters seriously. Even if one is aware such are fruitless efforts, one must make efforts to move forward step by step. We do not need to take desperate measures.

-- Around when do you think is the best timing for the House of Representatives election?

Under the current situation, it is very difficult for candidates in Tokyo and other urban districts to fight fairly with their rivals (in the Lower House election). I hope the election will be carried out when we see public support for the cabinet rising even 1 PERCENT or 2 PERCENT .

-- The prime minister indicated that the consumption tax will be raised in two to three years.

That does not mean talks will start two to three years from now. I think he meant that the rate will be hiked two to three years from

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now. This is a political judgment. There are two points in question. One is whether the consumption tax rate can be maintained despite the ongoing financial deterioration. Another point is what to do about financial sources to cover the ballooning social security costs. It is necessary to discuss the entirety of the tax system.

-- Hiking the tobacco tax is drawing much attention as a financial source option alternative to a rise in the consumption tax.

Some say that the tax should be raised because the rate in Japan is lower than those in other countries. But others might also come up with the argument that the consumption tax rate is also lower than other countries'. If the rate is immediately raised sharply, tax revenues reversely might reduce. It will be fine if the tobacco tax is raised from the viewpoint of health promotion, but I think that depending on it as a financial source is undesirable.

(6) Divided Diet: DPJ Lower House member Hosono prefers political change to political realignment

MAINICHI (Page 5) (Full)
June 26, 2008

-- What are advantages of having a divided Diet?

Hosono: First it is clear that information disclosure has been

promoted in such issues as the pension record mess, the hepatitis C infection problem, and the wasteful use of tax revenues set aside for road-related projects. Another advantage is that the ruling and opposition forces conduct substantive discussion in their consultations on revising bills. Through consultations, we were able to substantially revise such legislation as the national civil service reform bill. It is worth noting that as many as 17 lawmaker-sponsored bills were enacted (in the ordinary session), the figure being about 20 PERCENT of all the enacted bills. It is usually about 10 PERCENT .

-- What was your impression of consultations between the ruling and opposition camps?

Hosono: No bill will be enacted into law unless the Democratic Party of Japan (DPJ) approves it. This situation is completely different from the past. I was involved in deliberations on revising the basic space-use bill. We started discussion on the bill from a standpoint of national interests, which include disaster control, resources, and security. The bureaucratic barriers were extremely high. At the end, the Diet and bureaucracy were almost at war. I think that's what the situation should be.

-- At the Budget Committee session, you pursued the wasteful use of tax revenues earmarked for road construction and maintenance.

Hosono: I put all my energy into dealing with that issue. I pursued it to the maximum to get information. But there are limits to the effectiveness of individual attacks. The present ruling coalition cannot resolve the issues of the new medical insurance system, pension record mess, and the wasteful use of tax revenues. They will be resolved after political change in the election but not by a grand alliance.

-- Is it easier now to hold debate on whether to boost the public's burden, including a consumption tax hike, than it was before the

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Diet is divided?

Hosono: We should show the voters our position on the consumption tax during election campaigning. Raising the consumption tax rate after the election goes against the principle of democracy. The question is which position the Liberal Democratic Party (LDP) and the DPJ will take in the next Lower House election. We should not create a manifesto (set of campaign pledges) to give lip service.

-- Do you think political realignment will occur before the election?

Hosono: The DPJ has asserted for a long time the need for a change of government. I think it is betrayal for my party members to back political realignment that would eliminate the possibility of political change. If neither the LDP nor DPJ secures a majority in the Lower House election, I don't deny the possibility that policy-oriented political realignment will occur.

-- An article criticizing the party's manifesto for the latest House of Councillors election that former President Seiji Maehara wrote for a monthly magazine became a topic of our conversation.

Hosono: I take it a constructive proposal. We should always seek higher levels. The manifesto for the Upper House election should be improved to the level of that for the Lower House election. I think Mr. Maehara wanted to make that statement.

(7) DPJ leadership race (Part 1): With grand coalition vision no longer around, Ozawa marching toward general election to become the next prime minister

ASAHI (Page 4) (Abridged)
June 26, 2008

The Mizusawa district, Oshu City, Iwate Prefecture, is the home turf of Ichiro Ozawa, the president of the Democratic Party of Japan. The house in which he lived until he was 14 still exists there. Some 30

PERCENT of the stores near the train station are shuttered.

On the morning of June 14, a major earthquake struck Iwate and Miyagi prefectures. Ozawa visited quake-hit areas in the two prefectures on the following day, June 15. There Ozawa said to quake victims: "Yesterday's quake was the largest ever in this part of Japan. We will make every effort so that you can swiftly return to normal life."

"Politics is life" was the slogan put up by Ozawa for last summer's Upper House election. "Life and Politics" has been the title of the newsletter of Ozawa's support association since its establishment. Ozawa was first elected to the Diet in 1969 with the promise to promote people-oriented politics.

It has been nearly 40 years since then. Many leaders of Ozawa's supporters' association, who have long believed that he would someday become the prime minister of Japan, are now in their seventies. Since bolting the Liberal Democratic Party 15 years ago, Ozawa has repeatedly launched and destroyed political parties. "We have waited long enough. Our patience has run out," one leader said.

Last fall, some supporter organization executives came all the way

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from Iwate to see Ozawa in Tokyo to urge him to become the prime minister. Ozawa simply listened to what they had to say. Disappointed, the executives returned to Iwate empty-handed.

Ozawa visits a go (Japanese chess) salon near the Diet building twice or three times a week to play the game for one to four hours. Ozawa is known for his love of go in the political community.

Ozawa overwhelmingly defeated LDP lawmaker Kaoru Yosano in the game of go last October.

His triumph was short-lived. In early November, Ozawa talked with Prime Minister Fukuda about forming a grand coalition, but the idea was rejected by DPJ executives. This was followed by Ozawa's announcement to step down from the DPJ presidency, which was retracted just several days later.

Ozawa threw a New Year's party at his home on January 1, 2008, in which he declared: "There is no doubt that a general election will take place this year. It is going to be the ultimate chance for us to take power. We will win the election at all costs."

On March 1, Ozawa met some 400 supporters at the office of an agricultural cooperative in Iwate. The grand coalition fiasco was still fresh in their minds. An anxious supporter asked Ozawa to offer a clear explanation in his home turf. In response, Ozawa said: "We have had our ups and downs, but we will have to bring about a change of government. I will fulfill my responsibility as the DPJ president."

Behind those words, the supporter organization executives sensed a shift in Ozawa's frame of mind since their meeting with him in Tokyo six months earlier. They all felt his determination to obtain the premiership.

There is a ceramic figurine of Tokugawa Ieyasu, the founder and first shogun of the Tokugawa shogunate, at DPJ headquarters. It came via Katsumasa Suzuki from a local ceramic artist who wants to see Ozawa take the reins of government.

"Mr. Ozawa is serious about becoming the prime minister of Japan," said Suzuki, who is close to the DPJ president. The DPJ has produced a new poster featuring the bust of Ozawa with a message saying, "Your life, your feelings. Please hurl everything at me." Suzuki explained: "It is intended to encourage people to vent their feelings not at the DPJ but at Mr. Ozawa. It is also designed to urge people to vote for the DPJ in the next Lower House race that will determine the new prime minister."

Declaring "a complete campaign setup," Ozawa has kicked off a

nationwide stumping tour. Day after day, he eloquently encouraged prospective DPJ candidates and regional labor union executives and met local reporters.

In the eyes of a senior lawmaker who has known Ozawa since New Frontier Party days, everything is for the DPJ leadership race in September. Speculation has been rife that the upcoming DPJ presidential race is a preliminary battle to determine the party's prime ministerial candidate and that the campaign setup itself is designed for the reelection of Ozawa for his third term.

Meanwhile, Ozawa, completely brushing aside such a conjecture,

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remains focused on Lower House dissolution and a general election before next January.

There are always some concerns about the health of Ozawa, who has suffered from a heart problem. To maintain good health, Ozawa takes a 30-minute walk every morning and has a well-balanced breakfast. The lunch consists of a cup of hot milk and a piece of bread and the supper is always light without meat. Ozawa, who used to be a heavy drinker, now drinks moderately.

Ozawa is engaged in a contest of endurance with Fukuda, who neither resigns nor dissolves the Lower House. Ozawa still seems to be convinced that he will win. Asked in an Asahi Shimbun interview if he would go for the premiership, Ozawa crisply said: "I am the president of the DPJ, and if our party wins the next general election, I will have to take on the job."

Still, the view is persistent that Ozawa has no intention of becoming the prime minister. A veteran lawmaker, who has long known Ozawa, said, however: "Mr. Ozawa could have become the prime minister if he had so desired, but he didn't. This time around, he really intends to get that job."

Norihiko Narita, president of Surugadai University President and a former prime ministerial secretary under the Hosokawa administration, took this view: "Among the leaders of the early 1990s, Mr. Ozawa is the only person who is still on the front line. That is because he has not served as the prime minister. As a lawmaker, Mr. Ozawa is rounding the final turn, and he knows that; that's different from before."

Ozawa himself defines the next general election as his last political battle.

SCHIEFFER